

AN ACT

ENTITLED, An Act to provide that interest paid on negative balances in employers' experience rating accounts be credited to their experience rating accounts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 61-5-18.16 be amended to read as follows:

61-5-18.16. Any employer whose experience rating account, as determined pursuant to § 61-5-18, has a negative reserve shall, in addition to the contribution rate, pay interest on the negative balance in the employer's experience rating account, excluding any negative balance existing on December 31, 2006. Following December 31, 2008, and each year thereafter, the department shall determine the interest due and owing on each negative balance account. Interest shall be owed only if the employer had a negative account balance on the computation date used for the annual interest calculation and a negative account balance on the ending date of each of the seven preceding calendar quarters. The interest rate shall be the average of the quarterly interest rates paid by the United States Treasury on unemployment insurance trust fund reserves in the calendar year ending on the interest calculation date. The interest rate so determined will be applied to the amount by which the negative account increased from December 31, 2006, or from the date the employer became subject to this title if later, to the computation date used for the interest calculation date for the year. Interest due and owing shall be paid in equal quarterly payments during the year following the computation date, with each payment due on the last day of each quarter. The computation date and experience rating account balance used to determine contribution rates shall be used in the application of this section. Any interest payments shall be credited to the experience rating account of the employer. The terms and conditions of this title which apply to the payment and collection of contributions also apply to the payment and collection of the negative account interest assessments.

An Act to provide that interest paid on negative balances in employers' experience rating accounts be credited to their experience rating accounts.

I certify that the attached Act
originated in the

SENATE as Bill No. 64

Secretary of the Senate

President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 64
File No. _____
Chapter No. _____

Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State